

**REVENUE DEPARTMENT  
GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI,  
5, SHAM NATH MARG, DELHI-110054.  
PHONE : 23965184**

F.1/808/Regn.Br./Div.Com/ (HQ)/2013/ 6750

Dated: 16/02/15

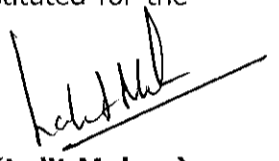
To,

S.P. Manchanda,  
C-2/35 B, Keshav Puram,  
Delhi-110035.

Sub: - RTI I.D no. 9448 dated 09/09/2013- CIC decision no. CIC/SA/A/2014/000576 dated 09/01/2015.

Sir,


In compliance of order/decision dated 09/01/2015 of Hon'ble CIC on the subject cited above, please find enclosed herewith copy of the report of the committee constituted for the Fourth revision of Circle rate of immovable property.


  
**(Lalit Mohan)**  
**S.D.M.-II (HQ)**

Encl. As Above:

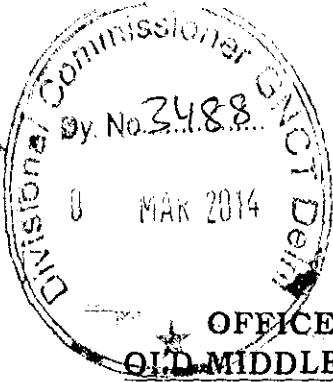
Copy to information and necessary action :-

1. Deputy Registrar, CIC, Room No. 315, B-wing, August Kranti Bhawan, Bhikaji Cama Palace, New Delhi-110066 w.r.t. CIC decision no. CIC/SA/A/2014/000576 dated 09/01/2015.
- ✓ 2. System Analyst, Revenue Department, Delhi, please find enclose herewith alongwith a copy of the report of the committee constituted for the Fourth revision of Circle rate of immovable property with the request to upload the same on the website.
3. OSD to LG., Delhi
4. OSD to CS, Delhi
5. P.A to Additional Secretary (Revenue), Delhi.

  
**(Lalit Mohan)**  
**S.D.M.-II (HQ)**

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18/2/15

Proof



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**ELECTION MATTER**

**GNCT OF DELHI  
OFFICE OF THE DEPUTY COMMISSIONER (WEST)  
OLD MIDDLE SCHOOL BUILDING, RAMPURA DELHI-110035  
(011-27391542 (Fax), 011-27394928)**

No. DM/w/2014/269

Dated: 4/3/2014

To

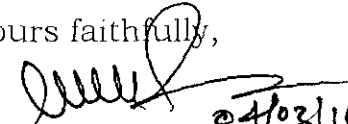
**The Divisional Commissioner, Delhi  
5-Sham Nath Marg, Delhi**

**Sub : 4<sup>th</sup> revision of minimum rate (Circle Rate) for valuation of land  
and immoveable properties in Delhi**

Sir,

This is in reference to the order No. F.1(152)/Regn. Br./Div.Com.HQ./2012/ 3786 dated 06.02.2014 vide which a committee under the chairmanship of undersigned has been constituted on the above mentioned subject with the direction to examine the revision of circle rate and submit the report. Accordingly, after assessing of all the factors and considering the representations received from various corners, the report have been prepared by the committee members and same is enclosed for your kind information and further necessary action.

Yours faithfully,

  
(C.R. GARG) 04/03/14.

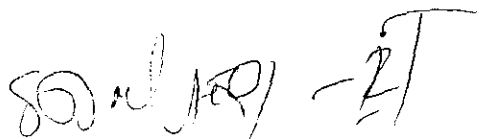
**Deputy Commissioner (West)**

Encl : As above

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and





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CHAPTER-II

**THE CONTEXT AND THE FOCUS**



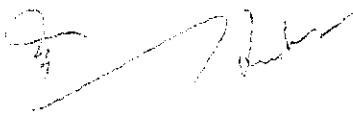
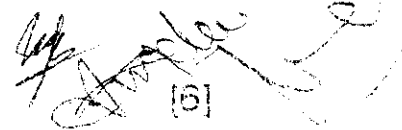
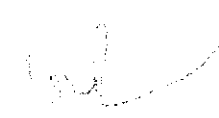
2.1 The focus of the committee was to plug black money being circulated in the estate business by unscrupulous persons and also to safeguard interest of revenue. The endeavour is also to imbibe a culture of honesty and to encourage the vendor/vendee to reflect true value of consideration in the instrument of sale. It was also observed by the committee that the deserving and honest persons intending to buy properties in Delhi for the purpose of their residence, industrial or business purposes are finding it difficult on account of lack of sufficient funds/resources while due to the attitude of the vendor insisting major part of consideration in cash, the vendee is not even able to obtain bank loan against such properties. On the contrary those who have unaccounted money at their disposal rule the estate business.

2.2 The committee also perused a representation dated 10-02-2014 by the president Delhi Villagers Development Association (an NGO) addressed to the then Minister of Revenue, highlighting therein that agriculture land/farm houses in Mahrauli are being transacted between 10 to 20 Crores per acre but in the instrument of sale the minimum circle rate of Rs.55,00,000/- per acre is shown thus pumping lot of black money in the business of estate. Similar other instances of Najafgarh Area (Zone - L) were pointed out alongwith suggestion that all residential areas notified by DDA in Delhi should have minimum land rate of Rs.3.5 Crore per acre. The copy of the said representation is enclosed as **Annexure-4**.

2.3 Similar bunch of representations were forwarded by the office of the Divisional Commissioner, NCT of Delhi including representation of Sh. S.P. Manchanda dated 14-04-2013 addressed to Secretary Revenue/Div. Com., representation dated 12-09-2013 by a NGO

Forum for Good Governance' (Registered) pointing out irrational and low circle rates, leading to absorption of substantial black money in Delhi and loss of revenue. It was highlighted that various colonies bearing a particular category is irrational comparing to the average DDA auction price in those areas like Pitampura, Dwarka, Pashim Vihar, Model Town, Vivek Vihar, Jasola, Rohini, Yamuna Vihar etc. It was also referred therein the report of Kelkar Committee determining the circle rates dated 18-07-2007. In nut shell it was highlighted that the land rates in Delhi are drastically on a lower side. All such bunch of representations were carefully perused by the committee and are enclosed as Annexure-5.

2.4. The committee called upon all the respective Sub-Registrars for a feedback as regards the ground realities of the rates of land and immoveable properties in their respective areas/zone. The Sub-Registrars after examining their respective records and the field reports filed their respective statements pointing out therein the various instruments of sale registered in their offices at a much higher value and consideration than the minimum circle rate. The Sub-Registrar unanimously were of the view that up-gradation of categories of various colonies be recommended and land rates be enhanced. The Sub-Registrars suggested enhancement of rate of immoveable property/land per sq. mtr. pertaining to various categories of colonies i.e. "A" to "F" which were arrived by them on the basis of average rate, determined after taking into consideration various sale considerations as available in their record i.e. respective sale deeds commensurate to the particular category duly registered within their offices exhibiting higher consideration than the circle rate. The Sub-Registrar excluded odd one out sale deed for the purpose of arriving at average rate which exhibit extraordinary higher value than the other sale deeds within the same/similar group. Thus they have based their suggestive rates by

  
  
  
  
  
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adopting scientific method with due application of mind. Their respective reports were perused by the committee.

2.5 The Committee Members including the members representing Municipal bodies of Delhi namely South Delhi Municipal Corporation, North Delhi Municipal Corporation and East Delhi Municipal Corporation not only strongly advocated up-gradation of categories of various colonies but also submitted that the Municipal bodies have already carried out similar exercise way back in 2011 when the 3<sup>rd</sup> Municipal Valuation Committee submitted its final report dated 28-04-2011. In the said report, it is stated, that the Municipal Valuation Committee-III agreed to adopt the categorization of colonies as per the report of Municipal Valuation Committee-I, which is stated to have been based on the recommendation of the expert committee as a result of detailed study. Even though subsequently some colonies in Delhi were re-categorized by the Hardship and Anomalies Committee down grading various categories, the said down grading criteria is stated to have been recommended to be done away by the 3<sup>rd</sup> Municipal Value Committee (MVC-III) in its report. Hence, the members representing municipal bodies submitted that the MVC-III recommended adoption of the categorization of colonies as that of MVC-I as the same was based upon the recommendation of expert committee and also on account of change circumstances including ground realities. The committee find substance in their submission. The relevant part of the report of the Municipal Valuation Committee is placed as **Annexure-6**.

2.6 The committee at its own level carried out an exercise by examining the same. During the preliminary study and examination it was observed by the committee that certain colonies categorized to a particular category needs to be placed in a corresponding proper category so as to bring equality. For example the colonies of Lutyen Bungalow Zone governed by NDMC has been placed under "A"

category, which is a class apart in itself in comparison to other "A" categories colony like Friends Colony, Kalindi Colony, Anand Niketan, etc. The rates of immovable properties in Lutyen Bungalow Zone is far higher than the other colonies categorized "A". In similar manner it is found that Sunder Nagar situated on Mathura Road near India Gate is in category "A" whereas its rates are far more than the other category "A" colonies some of which mentioned above. In some colonies like Rajinder Nagar (Central Delhi) the rates of immovable properties are very high whereas the category of the colony is downgraded to 'D' though as per MVC-I this colony at the first instance was recommended as category "C" colony. A colony named as Rohgaipura near Dev Nagar in Karol Bagh Zone is fully commercialized whereas found under category "E". Similarly, the area of Rajouri Garden, one of the most posh colonies of West Delhi situated on Ring Road has been found under category "D". Raja Garden another colony existing on the Ring Road in West Zone is found under category of "D". All these anomalies are writ large even on bare perusal of the respective field reports of the concerned Sub-Registrars also, which were been perused carefully by the committee.

- 2.7 In view of the same it was decided to review all the categories of the colonies on realistic basis and to set right as far as possible the anomalies and inequality and to mention rationality in the categorization of colonies. It was unanimously decided by the committee to not only review the existing categories but to create a super category under the title "A1" to cover the Lutyen Bungalow Zone and the adjoining area including Sunder Nagar alongwith area of Chanakyapuri, Vasant Vihar etc. The colonies which are recommended to be covered under category "A1" is mentioned in **Annexure-7**.

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2.8 Some instances are necessary to point out and to reflect mark variation between circle rate and actual market rate of the immovable properties as obtained from various portal dealing with estate as under:-

- a) On the portal of Indianproperty.com, a house property measuring 200 Sq. Yrd. having covered area of 100 Sq. Yrd. situated in Safdarjung Enclave, Delhi is offered at Rs.6 Crore. The said colony has been placed in category "B" bearing land rate of Rs.2,04,600/- per sq. mtr. The valuation of the said property on the basis of existing circle rate would come to Rs.3,60,31,730/-.
- b) A built-up area of 2000 Sq. Ft. out of the total area of 2187 Sq. Ft. i.e. 243 Sq. Yrd. in C.R. Park is offered for Rs.4.5 Crore consisting of ground floor with basement. The minimum value as per the circle rate will come to Rs.2,92,17,408/-.
- c) A plot area measuring the 1080 Sq. Yrd. is up for sale in Vasant Vihar having built-up area 9000 Sq. Ft. having 20 rooms available @ total sale price of Rs.95 Crore whereas its value as per circle rate would be Rs.59,77,27,890/-.
- d) A house property in Rohini Sector-3 on an area of 60 Sq. Mtr. is offered for Rs.2 Crore circle rate value of which would be Rs.39,72,000/-.

Another house property of 60 Sq. Mtr. in Rohini Sector-7 is offered Rs.3.75 Crore, circle rate value of which would be Rs. 39,72,000/-.

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- e) In Shahdara a house property on an area of 100 Sq. Yrd. is up for Rs.3.1 Crore whereas its minimum circle rate value is Rs.37,03,323/-.

Another house property in Shahdara on an area of 80 Sq. Yrd. is offered at Rs.1.6 Crore, circle rate value of which would be Rs.29,63,139/-.

- f) A house property in Faharganj on area of 1800 Sq. Ft. i.e. 200 Sq. Yrd. is offered at Rs.5 Crore whereas the circle rate value will be Rs.1,10,69,964/-.

- g) A house property in Niti Bagh having land area 320 Sq. Yrd. and built-up area 4500 Sq. Ft. is available at Rs.28 Crore whereas the circle rate value of Rs.18,02,20,015/-.

**Examining another portal i.e. magicbrick.com :-**

- a) A house property in Bali Nagar (West Delhi near Ring Road, Raja Garden) having covered area of 236 Sq. Yrd. is offered at Rs.9.60 Crore i.e. @ Rs.4,06,779/- per sq. yrd.
- b) A 900 Sq. Ft. (100 Sq. Yrd.) house property in Malviya Nagar is offered at Rs.1.60 Crore @ Rs.17,777/- per sq. ft.
- c) A plot area of 1600 Sq. Yrd. in Kamla Nagar is offered at Rs.83 Crore.
- d) A residential house in Defence Colony on 232 Sq. Yrd. is offered at Rs.5.50 Crore i.e. @ Rs.2,34,042/- per sq. yrd.
- e) In Jahangirpuri, a 80 Sq. Yrd. DDA MIG flat is offered at Rs.90,00,000/- @ Rs.1,04,651/- per sq. yrd.



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- f) In Vasant Kunj, Sector-D a house property on 1000 Sq. Ft. (approximate 111 Sq. Yrd.) is offered at Rs.2 Crore @ Rs.20,000/- per sq. ft.
- g) In Dwarka Sector-18A, a property bearing covered area 1400 Sq. Ft. (155 Sq. Yrd.) is offered @ Rs.1.60 Crore at the rate of Rs.11,428/- per sq. ft.
- h) In Preet Vihar a plot area consisting 2403 Sq. Ft. (267 Sq. Yrd.) is available at Rs.13.21 Crore.
- i) In Pitampura a 1600 Sq. Ft. house property is offered at Rs.9.50 Crore @ Rs.59,375/- Sq. Ft.
- j) A house property in Sainik Farm bearing covered area 3000 Sq. Ft. (333 Sq. Yrd.) is up for sale for Rs.19 Crore @ Rs.63,333/- per sq. ft.
- k) In Janakpuri a DDA LIG Flat bearing covered area 70 Sq. Yrd. is offered for Rs.72 lacs @ Rs.1,02,857/- per sq. yrd.
- l) In Rani Bagh a plot area of 2550 Sq. Ft. (283 Sq. Yrd.) is available for Rs.13 Crore.
- m) In Paschim Vihar a house property covered area 90 Sq. Mtr. is available at Rs.1.10 Crore @ Rs.1,22,222/- per sq. mtr.
- n) In Lajpat Nagar-III a house property on 155 Sq. Yrd. is offered for Rs.2.24 Crore at the rate of Rs.1,45,161/- per sq. yrd.
- o) A house property on a covered area 88 Sq. Yrd. is offered in Old Rajinder Nagar for Rs.5 Crore at the rate of Rs.5,68,181/- per sq. yrd.

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- p) A residential plot in Sunder Nagar on a plot area of 870 Sq. Yrd. is offered of Rs.110 Crore.
- q) In Rajouri Garden a house property bearing covered area 5100 Sq. Ft. (566 Sq. Yrd.) is available for Rs.16 Crore @ Rs. 31,372/- per sq. ft.
- r) In Jamia Nagar a house property on 60 Sq. Yrd. is available for Rs.60 lacs @ Rs.1,00,000/- per sq. yrd.
- s) In Mahavir Enclave a 100 Sq. Yrd. residential property is offered at Rs.82 lacs @ Rs82,000/- per sq. yrd.
- t) In Mayur Vihar Phase-I a 60 Sq. Mtr. house property is offered for Rs.1.50 Crore @ Rs.2,50,000/- per sq. mtr.
- u) In Rohini Sector-22 a plot area of 60 Sq. Mtr. is offered for Rs.2 Crore.
- v) A Vasant Kunj DDA Flat having covered area 42 Sq. Mtr. is offered at Rs.90 lacs @ Rs.2,14,285/- per sq. mtr.
- w) A house property in Ashok Vihar Phase-I having covered area 2247 Sq. Ft. (250 Sq. Yrd.) is offered for Rs.25 Crore @ Rs.1,11,259/- per sq. ft.
- x) A 250 Sq. Yrd. residential house in East of Kailash is offered for Rs.20 Crore @ Rs.8 lacs per sq. yrd.
- y) A residential plot of 217 Sq. Yrd. in Punjabi Bagh West is available for Rs.8 Crore.
- z) A house property in 200 Sq. Yrd. in Nizamuddin West is up for Rs.14 Crore @ Rs.7 lacs per sq. yrd.

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## REPORT OF THE COMMITTEE

Constituted by Govt. of NCT of Delhi  
For the purpose of 4<sup>th</sup> revision of minimum rate (circle rate)  
For valuation of land and immoveable properties in Delhi

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## CHAPTER-I

### INTRODUCTION :

1.1 In exercise of the powers conferred by section 27 and 47A of the Indian Stamp Act, 1899 and in pursuance of the provision of the Delhi Stamp (Prevention of Under valuation of instruments) Rules, 2007, the Delhi Government has been notifying minimum rates of valuation of immoveable properties in Delhi. The said minimum rate/circle rates are taken into consideration for registration of instruments relating to land and immoveable properties in Delhi by all the registering authorities under the Registration Act, 1908.

1.2 The circle rates/minimum rates in Delhi were notified for the first time from 18-07-2007 vide notification no. F.2/(12)/Fin.(E1)/Part-5/61.1(I)/2345. The rates were revised thereafter effective from 08-02-2011, 16-11-2011 and finally from 05-12-2012. The circle rate governed the minimum land rates, at the first instance, applicable to various residential colonies in Delhi, which have been categorized from (A) to (H). In the event of land use being industrial, the multiple of 2 to such rate is applied whereas in case of commercial multiple of 3 is prescribed to such land rates. For determination of value of construction, the corresponding per Sq. Meter construction rate is applied as prescribed in the rule corresponding to different categories. In the aforesaid manner the value of the land with construction is determined constituting value of the immoveable property as one unit/entity. In so far as the flats constructed by DDA, cooperative group housing society or by private builders for residential purposes flat rate is prescribed depending upon the size of the flat having four categories i.e. upto 30 Sq. Meter, between 30 to 50 Sq. Meter, 50 to 100 Sq. Meter and above 100 Sq. Meter. For commercial flat separate flat rate is prescribed. A consolidated chart for rates from 18-07-2007 to 05-12-2012 pertaining to land rates, minimum rate of construction, minimum

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rate of construction for commercial use and minimum rate for flats by housing society DDA private builder are placed for ready reference and marked as **Annexure-1** alongwith present list of colonies/localities indicating category as **Annexure-2**.

- 1.3 The purpose and object of prescribing minimum rates of immoveable property is to plug the inflow of black-money in the estate business and also to safeguard the interest of revenue. The endeavor is to encourage the vendor/vendee to reflect true value of the consideration in the instrument and to develop culture of honesty. The government therefore periodically revises the minimum circle rate of the immoveable properties so as to bring it as close as possible to the market value of such properties.

#### **CONSTITUTION OF THE COMMITTEE :**

To achieve the above said purpose, the Govt. of NCT of Delhi vide order no.F.1(152)Regn.Br./Div.Com.H.Q/2012-3786 dated 06-02-2014 issued by SDM-II (HQ) of Revenue Department constituted a committee under the chairmanship of Deputy Commissioner (West), Revenue Department, Govt. of NCT of Delhi consisting of members as detailed below for the purpose of 4<sup>th</sup> revision of minimum rate (circle rate) for valuation of land and immoveable properties in Delhi :-

#### **CHAIRMAN :**

Sh. C.R. Garg, Deputy Commissioner (West), Govt. of NCT of Delhi.  
(Ph. : 9650469955).

#### **MEMBERS :**

1. Additional Secretary L & B Deptt., Govt. of NCT of Delhi.
2. Assessor and Collector of each MCD, represented by
  - a) Sh. Rakesh Sharma
  - b) Sh. Madan Mohan
  - c) Sh. Madan Mohan

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3. Director (Land costing) DDA.
4. Land & Development Officer, Govt. of India, New Delhi.
5. Director (Land)/Estate, New Delhi Municipal Committee.
6. Sh. J.M. Kalia, (Legal Advisor) (Ph. : 9810325510)

**MEMBER SECRETARY :**

Sh. Ramesh Kumar, SDM (Rajouri Garden), New Delhi.

The Committee had its 1<sup>st</sup> meeting on 14-02-2014 and worked out the terms of reference in the following manner.

**TERMS OF REFERENCE :**

1. To study and examine the existing circle rates in respect of land and immoveable properties in Delhi.
2. To examine and deliberate other connected and relevant issues arising out of the above.
3. To suggest and recommend to the state government the revision of circle rates in the light of above review/study
4. To submit a final report in respect thereof.

**APPROACH OF THE COMMITTEE :**

The committee adopted an extensive consultative approach for ascertaining the ground realities of the market rates of the land and immoveable properties prevalent in the various colonies/zones of the NCT of Delhi. Besides relying on the state government officials, the committee also interacted with the experts in the field to share their views on the subject.

For the purpose of convenience, the committee constituted a sub-group consisting of all the sub-registrars of NCT of Delhi who acted as field officers and submitted respective reports of their area based upon

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interaction/meetings with the estate agents, the official records pertaining to the registered document in respect of properties within their respective jurisdiction etc. The reports suggested re-categorization of various colonies and also the suggestive rates of immovable properties in colonies prevalent therein. Their respective reports which are self-explanatory are enclosed collectively as **Annexure-3**.

#### **ORGANIZATION OF THE REPORT :**

The report is organized into various chapters, which outlines

- a) the contexts and the focus of the committee,
- b) re-categorization of the colonies based upon realities, creating a new category as A-1 predominantly consisting of colonies under the lutyen bungalow zone including some other super posh colonies of Delhi like Chanakyapuri, Sunder Nagar, Vasant Vihar etc.
- c) determination of the market rates of land and properties as prevalent in the market compare to the existing circle rates.
- d) defining certain terms i.e. covered area, multiple factor for determination of market value of residential, commercial, industrial agriculture/farm house properties in Delhi including the industrial area, which stood converted to commercial as per the policy of DDA, the notified commercial/mixed land use roads as per the Municipal Corporation of Delhi.
- e) classification of types of land.
- f) Revision of rates of flats/floors on covered area basis per sq. mtr.



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- aa) A plot area of 450 Sq. Ft. (500 Sq. Yrd.) in Greater Kailash Enclave-II is available at Rs.30 Crore.
- bb) A house property of 50 Sq. Yrd. in Vikaspuri is offered for Rs.65 lacs @ Rs.1,30,000/- per sq. yrd.
- cc) A residential plot in Ashok Vihar Phase-I measuring 125 Sq. Yrd. is offered for Rs.5 Crore.

**Another portal bearing domain name 99acre.com offers the following properties :**

- a) House property of 325 Sq. Yrd. in Defense Colony for Rs.30 Crore.
- b) A 900 Sq. Yrd. house property for Rs.65 Crore in Lajpat Nagar-III.

These offers are indicative of the market trend so far as the value of immovable house properties only in various areas and are enclosed as **Annexure-8**.

Hence, based upon the examination of the above, an exercise was carried out and the colonies in Delhi were re-categorized by adding one more category under "A1". The categorization which were made at the first instance by the 1<sup>st</sup> Municipal Valuation Committee (MVC-I) has been considered, debated and adopted by the committee. The list of proposed re-categorization is enclosed and marked as **Annexure-9**.

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## CHAPTER-III

### INDUSTRIAL AREAS IN DELHI

3.1 The committee found that most of the industrial areas in Delhi which now exists in the midst of developed colonies and which have been permitted by DDA to convert land use from industry to commercial have been commercialized having banquet halls, malls, showrooms etc. existing therein. The Kirti Nagar industrial area, DLF Moti Nagar industrial area, Naraina Industrial Area, Okhla Industrial Area, GTK Road Industrial Area, Wazirpur Industrial Area, Lawrence Road Industrial Area, Mayapuri Industrial Area, Dilkhush Industrial Area are only some examples. It is informed by the members representing municipal bodies that for the purpose of evaluation of property tax, they are adopting right from the beginning a multiple of 3 while evaluating the annual value of the immoveable property in the industrial area, as per the unit area system of tax assessment notified under the Delhi Municipal Corporation (Amendment) Act, 2003 effective from 01-01-2004. Per-contra in the existing mandate governing minimum circle rate in Delhi for the purpose of evaluation of immoveable properties meant to determine chargeability of stamp duty under the Indian Stamp Act, a multiple 2 is adopted for the purpose of determination of value of immoveable industrial property, which does not appeal in the absence of any rational basis. The committee therefore is of the view that to ascertain the value of immoveable property in an industrial area multiple factor 3 should be applied as is being applied by the respective Municipal Corporation in Delhi.

3.2 Most of the industrial areas have been put in downgraded categories. For instance Kirti Nagar Industrial Area which at the first instance was under category 'D' is now put under downgraded "G" category while the residential area which was earlier in 'C' is put under "D" category. Similarly Mayapuri Industrial Area is also downgraded under category "G". Narela Industrial Area and Naraina Industrial Area also found under category "G". Loha Mandi Naraina is also under same category

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alongwith Lawrence Road Industrial Area. All such industrial areas caters to commercial activities rather than industrial more particularly when a number of industrial activities have been prohibited on account of pollution.

3.3 The list of notified industrial area and non-confirming regularized industrial area are placed as **Annexure-10**.

3.4 Conversion of land use from industrial to commercial have been permitted as per MPD-2021 under clause 7.8 (chapter-7) read with notification dated 12-08-2008 subject to payment of conversion charges as prescribed by MCD vide notification dated 15-02-2010 (placed as **Annexure-11**)

3.5 The valuation of such immoveable property shall be arrived by determining by the first instance the rate of land commensurate to the category and thereafter applying multiple 3 in case of industrial use or multiple factor of four if it is converted to commercial. Where after the cost of construction shall be added as per the rate prescribed governing covered area of such land/property.

3.6 As per the input received from the department of revenue, it is made to understand to the committee that in rural area/urban villages, some land is allotted for the purpose carrying on cottage industry after consolidation process, not exceeding to 300 mtr. As this compensatory policy of the government is meant purely to develop village industry such plots cannot be termed as industrial land in the strict sense of the word in as much as the industrial area is governed by the Master Plan of Delhi subject to certain basic parameters prescribed by DDA. The committee was of the view that multiple factor as applicable to notified industrial area should not apply to these plots. It was therefore agreed by the members of the committee that such plots allotted by Delhi Government should be excluded from the application of multiple factor as is applied to a notified industrial area as per MPD.

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## CHAPTER-IV

### CLASSIFICATION OF LAND

- 4.1 In the existing mandate, the land is classified into :-
- Residential,
  - Industrial,
  - Institutional,
  - Commercial, and
  - Agriculture.
- 4.2 As per the present mandate to calculate the value of immovable property, the land rate as fixed pertaining to a particular category is multiplied by the total area of the land and thus the total value of the land is determined for the purpose of residential. In case the land use is institutional or industrial, the value is multiplied by factor 2 whereas in case of commercial the value is multiplied by factor 3. Thereafter the cost of construction is added as per the prescribed rates of construction viz. residential/commercial as the case may be and thus total valuation of the immovable property is determined.
- 4.3 To determine the value of agriculture land, the total area of the land is multiplied with the fixed and prescribed flat rate which at present is Rs.53 lacs per acre. The valuation of agriculture land for the purpose of stamp duty and registration in Delhi therefore is irrespective of the colony or the category. The committee agreed to maintain the valuation of agriculture land except revision of flat rate, which has been separately dealt with in Chapter-VIII whereby it recommended to increase the agriculture land rate per acre to Rs.65 lacs per acre and Rs.22 lacs per acre in so far as the Khadar land in Delhi.
- 4.4 The committee apart from having agreed to maintain the above classification but decided to include another category under the head

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"Farmhouse/County Home" which has been elaborated in the next chapter. The committee further agreed to adopt multiple of 3 in case of land use as industrial/institutional and multiple of 4 in case of the land use meant for commercial purposes as in the case of valuation of ratable value by the municipal authorities for the purpose of assessment of property tax

4.5 The committee is of the further view that to determine the value of immovable property, at the first instance the value of land should be determined depending upon its use viz. residential/industrial/institutional/commercial or farm house/country home as the case may be i.e. applying appropriate multiple factor and thereafter the cost of construction at the prescribed rate commensurate to the category be added to such value of land. The committee was also of the view that the rate of construction commensurate with the category should be applied uniformly without any discrimination whether the land use is industrial or commercial or institutional etc. as the case may be in as much as in the existing regime separate rates for residential and commercial have been prescribed. Once the value of land is determined in accordance with the land use by applying appropriate multiple factor, the cost of construction should remain uniform as there is no logical reason for any variation/discrimination.

4.6 The committee therefore recommend uniform rate of construction which has been dealt with separately in the forthcoming chapter.

4.7 The municipal authorities have issued a notification permitting certain properties abutting on classified roads for commercial and for mixed land use. The committee therefore is of the opinion that based upon such categorization, to determine the value of such immovable properties which are abutting on the classified roads, multiple of 4 shall be applied as the case may be.

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## CHAPTER-V

### FARM HOUSES IN DELHI

5.1 The Delhi Development Authority has reduced the minimum area requirement for farmhouses to 1 acre from 2.5 acre earlier. This policy shift of DDA afford an opportunity to the existing farmhouse owners to downsize their farmhouses and encash their surplus property. The prices of farmhouses in such areas such as Chattarpur, Satbari, Asola, Westend Greens, Jaunpur, Ghitorni, Pushpanjali, Kapashera and Brijwasan have risen more than 200 times in a little over a decade. An acre of land which used to cost Rs.8 lacs to Rs.12 lacs in 1990 is now available for Rs.20 crore to Rs.25 crore. It is reported that some of such property owners have been negotiating or entered into a development management pact to develop their farms and to build smaller farms as per the policy of DDA to be used the same as bungalows. The committee was of the view that distinction has to be drawn between a farm house as recognized and defined under the master plan by DDA and the land purely used for agriculture purposes. The committee therefore agreed to adopt definition of the term 'Farm House' as per the parameters of DDA.

5.2 Under the changed policy, new dwellings called Country Homes will be allowed on a 1 acre plot. They will have a higher FAR of 30 compared to the earlier stipulated FAR of 15. Thus 10000 to 13000 sq. ft. space can be built on 1 acre plot even though 50% area has to be left green (as reported in The Economic Times dated 21-11-2013, HT 09-05-2013 etc. enclosed as **Annexure-12** (collectively). The DDA approved modification in the MPD-2021 and approval was given to 27 villages that have been identified as LDRA (Low Density Residential Area). These villages located mostly on the periphery of the capital were

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declared as development area to ensure over all integrated development of urbanizable area under the new land pooling policy as well as for development of farm houses and county homes. Some of the villages approved for LDRA are Satbari, Chattarpur, Khanpur, Devli, Fatehpurberi, Asola, Mehrauli, Rajokri, Samalkha, Kapashera, Ghitorni, Rangpuri, Chhawla, Bakhtawarpur, Bijwasan, Salahapur, Bamnoli.

5.3 The committee therefore has agreed that such farmhouses used for residential purposes should not taken as agriculture land for which at present a flat rate of Rs.53 lacs per acre is being applied. For the purpose of valuation of such farmhouses which are being put to use as bungalow the permissible FAR (Floor Area Ratio) should be evaluated on the basis of land rate commensurate to category in which these farmhouses are situated. To this value, the covered area cost of construction shall be added. The rest of the area to be left open shall be evaluated separately as agriculture land i.e. at the flat rate and thus the total value of farmhouse shall be determined.

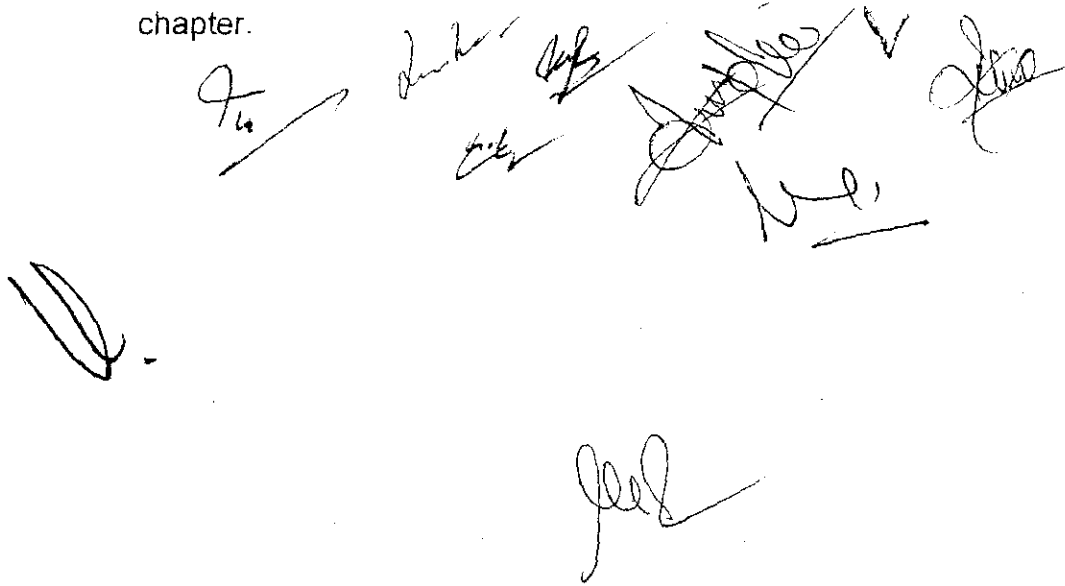
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5.4 The committee also deliberated on the issue of use of farm houses in Delhi purely for commercial purposes like organizing parties, functions, motel/hotel, guest houses whereas they always pass at the time of transaction as agriculture land.

5.5 It has also been decided that all such farm houses where commercial activities are carried out, the value shall be determined as suggested in the aforesaid manner by applying multiple 4 instead of multiple 2 with total area of the land while evaluating the same irrespective of the covered area. A list of all such farm houses should be available with the Sub-Registrar in their system to verify and counter check the same.

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Form-A therefore be suitably modified, which should include all important factors as discussed in the previous chapters and also in this chapter.



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CHAPTER-VI

**FLATS CONSTRUCTED BY DDA, COOPERATIVE GROUP HOUSING SOCIETY AND PRIVATE BUILDERS**

1. The committee while studying and examining the criteria of valuation of flats found a great anomaly in so far as the determination of true value of the flats. It was found that in the existing mandate, a uniform rate is applied in respect of all flats irrespective of the area/colonies it exists. For instance a flat in Vasant Kunj will be evaluated in the same rate as a flat in Rohini. A flat in Sarita Vihar will be evaluated of the same measurement as that of a similar measured flat in Paharganj. The committee could not trace out any logic or legitimate reason. The committee therefore decided to recommend removing such inadequate classification having no reasonable nexus with the object sought to be achieved i.e. to plug circulation of black money in the real estate and the circle rate to be as near as possible to the market rate. The committee therefore unanimously agreed that the valuation of such flats should be in accordance with the area/colony in which such flat exist i.e. as per the categorization of the colonies irrespective as to whether it is allotted by DDA, Cooperative Group Housing Society or by the Private Builder. Based upon the reports of the Sub-Registrar and the exercise carried out by the committee particularly rates exhibited on the real estate portal, it has been decided to fix the rates of flats on the basis of categorization of the colonies, reflected as under :

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**CHAPTER-VII**

**COST OF CONSTRUCTION**

For the purpose of rate of construction, DSR rate has been taken as an indicator. Based upon the same and input received by inter acting with architects, the construction rate per sq. mtr. has been prescribed. Keeping in view the inflation, the cost of construction has been increased to approximate 10% depending upon the category, which is described below :-

Category	Minimum rate of construction per sq. mtr.	
	Existing rate	Recommended rate
A	Rs.18,300/-	Rs.20,130/-
B	Rs.14,500/-	Rs.15,950/-
C	Rs.11,600/-	Rs.12,760/-
D	Rs.9,300/-	Rs.10,230/-
E	Rs.7,800/-	Rs.8,580/-
F	Rs.6,850/-	Rs.8,580/-
G	Rs.5,800/-	Rs.8,580/-
H	Rs.2,900/-	Rs.8,580/-

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## CHAPTER-VIII

### RECOMMENDED MINIMUM LAND RATES

Based upon the study conducted by the committee and examination of various aspect effecting land rate the following minimum land rates for residential use has been prescribed on the basis of various categories. The average rates based on the sale deeds arrived at have been moderated by the committee by adopting the formula of around 60% of next higher category of colony from category B to E and about 70% of the next higher category of colony from category F to H.

Category	Minimum land rate (per sq. mtr.)
A-1	Rs.10,00,000/-
A	Rs.7,00,000/-
B	Rs.4,20,000/-
C	Rs.2,50,000/-
D	Rs.1,50,000/-
E	Rs.90,000/-
F	Rs.63,000/-
G	Rs.45,000/-
H	Rs.30,000/-

### RECOMMENDED LAND RATES FOR AGRICULTURE LAND

Type of land	Recommended rates	Existing rates
Khadar land	Rs.22 lacs per acre	Rs.17 lacs per acre
Agriculture land (other than Khadar land)	Rs.65 lacs per acre	Rs.53 lacs per acre

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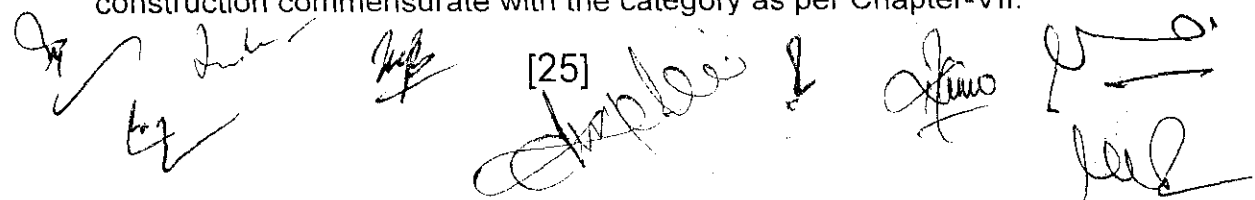
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## CHAPTER - IX

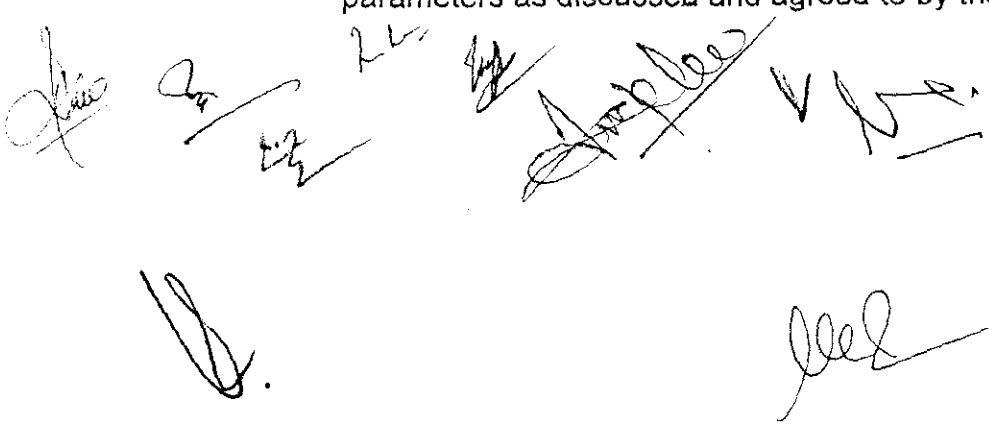
### SUMMARY OF RECOMMENDATION

- 9.1 The committee recommend revision of categories of colonies in terms with the provisional list placed as **Annexure-9** (subject to correction of typographical error if any), in consonance with the categorization carried out by the Municipal Valuation Committee-I, which was further based upon extensive study carried out by the expert group and approved by the MVC-III in its report dated 28-04-2011.
- 9.2 The committee recommend creation of a new category under the heading A1 by including the colonies of LBZ, DIZ (Gole Market), Chanakyapuri, Vasant Vihar, Mata Sundri Lane Area etc. as more particularly described in **Annexure-7**.
- 9.3 The committee recommend multiple of 3 to be applied while determining the value of land used for industrial purposes commensurate with the colony/area.
- 9.4 The committee recommend multiple of 4 to be applied while determining the value of land used for commercial purposes which will include the industrial area converted to commercial use and also the residential areas abutting on the notified commercial/mix land used as per the notification issued by MCD.
- 9.5 The committee recommend revision of minimum rates of land including agriculture land as more precisely mentioned in Chapter-VIII.
- 9.6 The committee recommend minimum and uniformed rates of construction commensurate with the category as per Chapter-VII.

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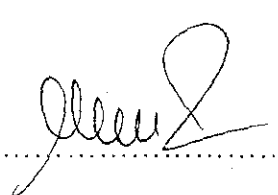
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- 9.7 The committee recommend minimum rates of flats per sq. mtr. commensurate with the category of the colony irrespective of facts as to whether the flats are constructed by DDA, Co-operative Group Housing Society or by the Private Builder.
- 9.8 The committee recommend the farmhouse/country home to be evaluated on two parameters : (a) at the first instance the maximum permissible FAR as per DDA norms shall be evaluated on the basis of the land rate commensurate with the category of the colony in which such farmhouse is situated alongwith cost of construction, and (b) the rest of the area of the land which is left open shall be evaluated as agriculture land and the value so arrived i.e. a + b shall be the total value of the farmhouse..
- 9.9 The committee also suggests that Form-A should be part and parcel of the instrument of sale and should be comprehensive enough to include all necessary and important factors and particulars so as to identify all parameters as discussed and agreed to by the committee.

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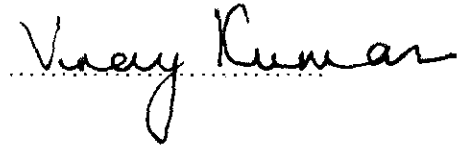
**CHAIRMAN :**

Sh. C.R. Garg, Deputy Commissioner (West),  
Govt. of NCT of Delhi.

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**MEMBERS :**

1. Additional Secretary L & B Deptt.,  
Govt. of NCT of Delhi.

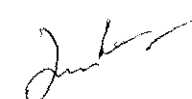
  
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2. Assessor and Collector of each MCD, represented by

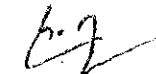
a) Sh. Rakesh Sharma, *ADMC*

  
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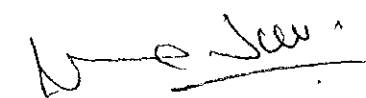
b) Sh. Madan Mohan, *SDMC*

  
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c) Sh. Madan Mohan, *EDMC*

  
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3. Director (Land costing) DDA.

  
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4. Land & Development Officer,  
Govt. of India, New Delhi.

  
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5. Director (Land)/Estate,  
New Delhi Municipal Committee.


  
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6. Sh. J.M. Kalia, (Legal Advisor)

  
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**MEMBER SECRETARY :**

Sh. Ramesh Kumar, SDM  
(Rajouri Garden), New Delhi

  
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